

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2015-16 Supplementary Estimates Hearings

Outcome Number: 1.1 Family Tax Benefit

Question No: SQ15-000898

Topic: FTB Supplement

Hansard page: Written

Senator Moore, Claire asked:

1. How much does the new measure save the budget, each year over the forward estimates?
2. How many families will now be left worse off by cuts to end of year supplements?
3. Even if you include the \$260 increase to the base rate in your calculations:
 - a. How much will a family on FTB-A only with one child be worse off?
 - b. How much will a family on FTB-A only with two children be worse off?
 - c. How much will a family on FTB-A only with three children be worse off?
 - d. How much will a family on FTB-A only with four children be worse off?
 - e. How much will a family on FTB-A and FTB-B with one child be worse off?
 - f. How much will a family on FTB-A and FTB-B with two children be worse off?
 - g. How much will a family on FTB-A and FTB-B with three children be worse off?
 - h. How much will a family on FTB-A and FTB-B with four children be worse off?
4. For a family with a child born on the day of the introduction of this measure, how much will they be worse off in total until that child turns 18?
5. Is it true that they will be this much worse off irrelevant of their income?
6. Isn't this therefore a highly regressive measure?
7. Will these have a greater impact on families that then original measure to reset supplements.

Answer:

1. The financial impact of the *Phase out FTB end of year supplements* measure over the forward estimates is outlined in the table below (whole of government fiscal balance – special administered only):

2015-16	2016-17	2017-18	2018-19	Total
-\$0.1 m	\$385.1 m	\$1,363.3 m	\$2,294.7 m	\$4,043.0 m

* There may be a difference in the total due to rounding

2. All FTB Part A recipients (around 1.5 million) and FTB Part B recipients (around 1.3 million) will be affected by the *Phase out FTB end of year supplements* measure. Around 1.3 million families receive both FTB Part A and FTB Part B.
3. The impact on a family will depend on their individual circumstances.
4. The Department uses broad population estimates to determine the impact of FTB measures using data from a specific period or point in time. To answer this question would require a significant diversion of resources.

5. No, the combined effect of the rate increase and supplement phase-out measures will vary depending on the circumstances of individual families.

6. The Department does not provide opinions on Government decisions.

7. Under the Families Package, the impact on a family will depend on their individual circumstances.